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PUBLIC BROADCASTING IN THE AGE OF COMMUNICATIONS REVOLUTION

Robert McChesney

GLOBALIZATION VERSUS LABOR

Dave Broad

THE POLITICS OF FREE-TRADE

Peter Seybold

Also inside: Joseph Mulligan's chronicle of Nicaragua's structural ajustment under the Chamorro administration; book reviews by Joel Kovel and W.H. Locke Anderson

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CONTENTS | VOLUME 47 NUMBER 7 DECEMBER 1995

REVIEW OF THE MONTH: Public Broadcasting in the Age of Communications Revolution by Robert McChesney 1

GLOBALIZATION VERSUS LABOR by Dave Broad 20

NICARAGUAN PRESIDENT VIOLETTA CHAMORRO: "FIVE YEARS OF STRUCTURAL AJUSTMENT" by Joseph Mulligan 32

THE POLITICS OF FREE-TRADE: THE GLOBAL MARKETPLACE AS CLOSET DICTATOR by Peter Seybold 43

BOOKS
Madmen and Scribblers by W. H. Locke Anderson 49
Strategy for Conquest by Joel Kovel 54

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NOTES FROM THE EDITORS

It is tempting to think that what is happening in the U.S. labor movement today may be a preclude to an era of political upheaval and economic reform like that of the depression decade of the 1930s.

The cyclical upswing of the 1920s came to an end with the stock market crash of 1929, and thereafter the economy turned down for the next four years: the unemployment rate stood at 3.2 percent in 1929 and rose to 24.9 percent in 1929, reflecting unprecedented economic collapse.

Political change was slow in coming. Franklin D. Roosevelt, a more or less typical Democratic politician, was elected president in 1932. The Democrats and Republicans elected at the same time were likewise similar to their predecessors except that there were more Democrats and fewer Republicans. Given the makeup of the new Congress and the new administration, it was not surprising that the first efforts to deal with rapidly deteriorating economic conditions were entirely in line with the traditional dominant-class thinking. The key legislation was the National Recovery Act which in effect conferred on trade associations

Continued on inside back cover

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PUBLIC BROADCASTING IN THE AGE OF COMMUNICATION REVOLUTION

CURRENT PERIODICAL

by ROBERT W. McCHESNEY

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U.S. conservatives are attacking the federal subsidy that supports public broadcasting with great fervor this year. Although the grant to the Corporation for Public Broadcasting, the Public Broadcasting System (PBS), and National Public Radio (NPR) likely will be extended, if at a reduced rate, for three more years by the current Congress, the handwriting is on the wall: there will be no more government-subsidized broadcasting in the United States by the end of the decade. I believe this is unfortunate and that it is very much in our interest to be expanding through any number of measures the nonprofit and noncommercial media sector. In what follows I will put the fight over U.S. public broadcasting in historical context. By doing so, I hope to explain the sorry state of contemporary U.S. public broadcasting. I will also link the fight over public broadcasting to broader political economic trends. The crisis of public service broadcasting—meaning nonprofit broadcasting with minimal advertising—is global in nature, so the dimensions of the U.S. struggle become more clear in a global light. I believe that the current right-wing assault on U.S. public broadcasting may best be regarded as another instance of corporate attack on democratic institutions, with the important aim of limiting the ability of Ameri-

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cans to examine and debate the manner in which their society is actually ruled. In addition, it is part and parcel of a process whereby the market is becoming the unquestioned regulator of all aspects of social life wherever profits may be made, a process I believe to have disastrous political and moral implications.

The current attack on public service broadcasting comes during an era of nearly unprecedented technological revolutions in communication and information. By all accounts, they are central to a dramatic restructuring of human societies. One need only consider the rapid development of the Internet—which is only the tip of the iceberg—to appreciate the dimensions of what lies before us. Although some proponents of the communication technologies assert that they will provide immense new competition in the marketplace of ideas, thereby rendering moot the need for publicly subsidized media, the dominant trend in journalism and communication is for the media industries increasingly to fall under oligopolistic corporate control. Ben Bagdikian is the best known chronicler of the control exerted by approximately twenty enormous corporations over global communication and almost all of U.S. journalism. That figure was significantly larger only a decade ago and many observers expect it to continue to fall.

There are many reasons to be alarmed by this oligopolistic corporate control. Every theory of democracy worth the paper it is written on recognizes that independent journalism is necessary to provide the informed participating citizenry that is the foundation of self-government. These enormous corporations often find this type of journalism controversial, expensive, and counterproductive to their political and economic interests. This is hardly a new phenomenon; it has been a major tension in profit-driven commercial journalism since its emergence in the nineteenth century. The censorship of our media and journalism is overwhelmingly the result of how it is owned and subsidized. Professional journalism is best viewed in this context. While it permits a degree of journalistic

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autonomy from media owners and advertisers, as well as the personal biases of journalists, media professionalism also internalizes many of the commercial values of the capitalist media and encourages journalists to be oblivious to the compromises with authority they are constantly making. In addition, the media corporations increasingly find the traditional practice of journalism unprofitable. The relative amount of resources devoted to journalism has fallen sharply in the past fifteen years. Our news media is increasingly prey to sophisticated public relations campaigns serving corporate America and commercial pressures to provide inexpensive, unthreatening schlock journalism centered on entertainers, athletes, and royal families.

Critics like Noam Chomsky and Edward Herman are on the mark when they argue that even well-subsidized U.S. corporate and commercial journalism has tended to promote elite interests and undermine the capacity for popular rule. Nonetheless, the collapse of journalism—even by mainstream standards—is startling. Traditional journalistic autonomy has become a direct casualty of the insatiable drive for profit that rules our media system and our economy. This trend stands in stark contrast to the promise of the new information and communication technologies to break down barriers and contribute to the democratization of society.

The critical question facing us is whether the new technologies can rejuvenate journalism and political democracy or whether the corporate, commercial domination of journalism and the communication industries will be able to subsume the technologies within their profit net and assure that the corporate domination of both U.S. society and the global political economy remain unquestioned and unchallenged. While I may consider this a critical question, it is not a prominent question in U.S. political culture. Here, to the contrary, the notion that the new communication technologies, as well as the entire communication industry, should be ruled by corporations seeking maximum profit is sacrosanct. Such is also the case in our news media and to a large extent

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our intellectual community. The notion that the commercial basis of media, journalism, and communication could have troubling implications for democracy is excluded from the range of legitimate debate. Indeed, the dominant public debate over communication policy in the United States today is whether the only vestiges of nonprofit broadcasting—PBS and NPR—should be eliminated so we may have a thoroughly market-driven system.

The corporate, commercial domination of U.S. communication was not always considered a given, or something innately benevolent, American, and democratic. When radio broadcasting first emerged in the 1920s, few thought it had any commercial potential and most regarded it more along the lines of public education. In those countries most similar to the United States—Britain, Canada, Germany, and France—broadcasting was developed as a nonprofit and noncommercial enterprise under varying forms of public control. It was called public service broadcasting. When NBC and CBS finally realized the profit potential of U.S. broadcasting and seized control in the late 1920s, they were met by ferocious public opposition to the capitalist exploitation of radio.

This broadcast reform movement, as I characterize it, argued that commercial broadcasting was inimical to the communication needs of a democratic society. The reformers argued that nonprofit and noncommercial broadcasting had to be the dominant sector of any adequate U.S. radio system. Most of these reformers were also comfortable with the state playing a significant although never monopolistic role in a more democratic broadcasting setup. Although this movement had left support, it was not a "left-wing" movement per se and it drew support from diverse groups of U.S. society, including labor, education, and religion, as well as intellectuals, civil libertarians, farmers, women, and journalists. It probably had as much support among Republicans as it did among Democrats.

All of these broadcast reformers were united in their thorough distaste for commercial broadcasting, their belief

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that the commercial system was structurally unsound and incapable of reform through self-regulation, government regulation, or competition, and their belief that radical structural reform was the only solution. All aspects of the reform movement stressed that if a handful of corporations dominated U.S. broadcasting and if their primary motivation was profit, it would be absurd to think it possible for broadcasting to provide the type of journalism and controversial public affairs programming for which the medium had the potential. In addition, the reformers thought it absurd and irresponsible to permit commercial values to rule broadcasting as they did so many other areas of U.S. life. The broadcast reformers lost for a number of reasons, not the least of which was the ample political clout of the broadcasting industry, which was able to dominate both politicians and the media coverage of the debate. With the passage of the Communications Act of 1934, which established the Federal Communications Commission (FCC) to regulate telecommunications and which remains the governing statute, fundamental structural questions have been off-limits in U.S. political debate. Although the opponents of commercialism were crushed, I believe they provide an important key to understanding the current nature of the debate over communication issues and the generally weak and unstable nature of U.S. public service broadcasting as it has developed over the past fifty years.

Since 1935 all broadcast and communication policy debates have been predicated upon the notion that the needs of the private sector come first, and that these are largely compatible with the public interest. The consolidation of the status quo after 1935 was accomplished with breathtaking speed. There have been dissidents on the FCC, but they have been mostly ineffectual. When structural reform became off-limits, the only legitimate manner in which to criticize U.S. broadcasting became to state that it was uncompetitive and therefore needed aggressive regulation. This was a far cry from the critique of the early 1930s reformers; they had argued that the problem was not merely a lack of competition

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but, more fundamentally, they argued that if a broadcast system is market-driven it will tend to serve the well-to-do and downplay programming that might empower the disenfranchised or serve any public value not defined by its profitability. In short, broadcasting had to be removed from the marketplace altogether to begin to fulfill its social promise. With the consolidation of the status quo, the broadcast reform movement quickly disintegrated and this radical tradition of communication criticism was marginalized if not forgotten. The broadcast reformers were defeated in a highly undemocratic manner, in which commercial interests did everything in their immense power to prevent public or even congressional awareness of the issue. In this sense, the matter of how best to employ the new communication technologies has never been addressed in an open forum in the United States, making the United States exceptional in that regard.

The need for such a fundamental public debate has never been more pressing. We are at a point where technological revolution is creating an upheaval in the existing communication systems, and a democratic society needs much study, examination, and debate to best utilize communication, the central nervous system of any society. Yet there is not much prospect for such a debate in the foreseeable future. Why is that? If the concerns of the 1930s about corporate control and commercialism remain with us today, in fact if they are more pronounced, why has no broadcast reform movement emerged to carry the mantle of the 1930s reformers? I believe there are three factors that undermined the 1930s reformers, and that have made any subsequent anti-capitalist media efforts fail even to get off the ground. I argue, therefore, that those who wish to put the ownership and control of communication on the agenda need to come to terms with these three factors.

First, capitalism is off-limits as a topic of legitimate debate in U.S. political culture. This was true, for the most part, in the early 1930s and it is certainly true today, as we have reached the alleged "end of history." There are many reasons

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for this, but a major factor is the general strength of the business community and the weakness of labor. As a result, it has become an article of faith that the market is the superior regulator of human activity, and the class basis of capitalism is scarcely mentioned or presented as a factor exogenous to the workings of the system. This has provided a superior shield for the owners of society, including the media capitalists. Although most sociological evidence points to the nature of ownership, subsidy, and control—in short, structural or institutional factors—as the major factors that determine media performance, the topic is off-limits in the United States. Second, the corporate media from the 1930s to today have actively and successfully cultivated the notion that capitalist media are synonymous with democratic media and that democratic media are synonymous with American media. Therefore a threat to corporate rule is a threat to democracy and the U.S. constitution. My research suggests that commercial broadcasting was one of the first industries to employ modern-day public relations techniques in a significant (even overpowering) manner. Third, the corporate media industry has unique powers that make it the envy of the corporate community. On one hand, given the media control over news and communication, few politicians wish to antagonize the owners of the media. It is quite acceptable for politicians to bash the alleged liberalism of journalists, but it is political suicide to attack corporate control of the industry. On the other hand, the corporate media control how any debate over media issues will be presented to the public. The track record of the commercial news media in this regard is unequivocal: the status quo of media power is off-limits for public examination. Moreover, when it suits corporate media interests, the news will be employed to advance the corporate media position.

This last point might provide a good entry point into the nature of the public debates concerning the information superhighway. Politicians today are even less willing to challenge the corporate control of communication than they

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were in the 1930s. This is the most dynamic element of the global economy, and both U.S. political parties are battling to ingratiate themselves to the corporate overlords of these new fiefdoms.

The Clinton administration is emphatic in its commitment to profit before public service in the area of information and communication policy, and it has considerable corporate support from the communication and information industries. As for the Republicans, they proudly trumpet their position that high profits are the best determinant of what is in the public interest, in communication as elsewhere. Hence, whatever "battle" rages today over establishing the legal and structural framework for the new $700 billion communication system is taking place among capitalists over which firms and sectors will dominate. The rest of us, uninformed by the corporate news media and therefore deemed to be uninterested, will have our opportunity to participate as consumers once our unelected rulers have divied up the pie for themselves. That's democracy, American style.

Not only is corporate and commercial domination of media and communication unassailable in our political culture, but it is on the offensive. Hence elements of the political right have aggressively sought to eliminate publicly subsidized broadcasting in the United States since the Nixon administration, and especially since Reagan's victory in the 1980 election. This may seem absurd in view of the marginal nature of public broadcasting in the U.S. media landscape, but to the right there are very important principles involved. The right is correct in this, but the principles involved are not necessarily those conservatives are discussing. To understand the current attack on public broadcasting, it helps to see the system in its historical context.

The defeat of the broadcast reform movement in 1934 led to the Dark Ages of U.S. public broadcasting. If the 1930s reformers sought a system where the dominant sector was nonprofit and noncommercial, all subsequent advocates of public broadcasting had to accept that the system was estab-

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lished primarily to benefit the commercial broadcasters, and any public stations would have to find a niche on the margins, where they would not threaten the existing or potential profitability of commercial interests. This made public broadcasting in the United States fundamentally different from that in Britain or Canada or nearly any other nation with a comparable political economy. Whereas the BBC and the CBC regarded their mandate as providing a service to the entire nation, the U.S. public broadcasters realized that they could only survive politically by not taking listeners or viewers away from the commercial broadcasters. The function of the public or educational broadcasters, then, was to provide that programming that was unprofitable for the commercial broadcasters to produce. At the same time, however, politicians and government officials hostile to public broadcasting have also insisted that it remain within the same ideological confines as the commercial system. This encouraged U.S. public broadcasting after 1935 to emphasize elite cultural programming at the expense of generating a large following. In short, since 1935 public broadcasting in the United States has been in a no-win situation. The major function of nonprofit broadcasting in the United States from 1920 to 1960 was, in fact, to pioneer new sections of the electromagnetic spectrum when the commercial interests did not yet find them profitable.

Thus it was educational broadcasters who played an enormous role in developing AM broadcasting in the 1920s, and then FM radio and even UHF television in the 1940s and 1950s. In each case, once it became clear that money could be made, the educators were displaced and the capitalists seized the reins. Arguably, too, this looks like the fate of the Internet, which has been pioneered as a public service by the nonprofit sector, with government subsidies, until that point when capital decides to take over and relegate the pioneers to the margins. The 1930s broadcast reformers were well aware of this tendency and refused to let the FCC push them into new technologies where there would be no access to the general public. After 1935, the proponents of public broad-

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casting had no choice in the matter. Even with these limitations, the commercial broadcasters were wary of public broadcasting and fought it tooth and nail well into the 1960s. After many halting starts, Congress passed the Public Broadcasting Act of 1967, which led to the creation of the Corporation for Public Broadcasting, and soon thereafter PBS and NPR. The commercial broadcasters finally agreed not to oppose public broadcasting, primarily because they believed the new public system could be responsible for doing the unprofitable cultural and public affairs programming that critics were constantly lambasting them for neglecting. There was a catch, however. The initial plan to have the CPR funded by a tax on receivers, similar to the BBC method, was dropped, thus preventing public broadcasting from receiving the stable source of income necessary for planning as well as editorial autonomy. At the outset it was determined that we would have a public system, but it would be severely handicapped. In short, this was the only public system the commercial broadcasters would permit. Although U.S. public broadcasting has produced some good fare, the system has been supremely compromised by its structural basis, and it is a farce in comparison to the great public service systems of Europe. Indeed, in international discussions of public broadcasting, the term "PBS-style system" is invoked to refer to a public system that is marginal and ineffective. It is the fate that the BBC, CBC, and others wish to avoid.

The funding system is the primary culprit. The government only provides around 15 percent of the revenues, and the public stations depend on corporate donations, foundation grants, and listener/viewer contributions for the balance. In effect, this has made PBS and NPR stations commercial enterprises and it has given the large corporations that dominate their subsidies tremendous influence over content, in a manner that violates the fundamental principles of public broadcasting. It has also encouraged the tendency to appeal to an affluent audience rather than a working-class audience, since those viewers/listeners have far more disposable income

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to contribute. When the federal subsidy is fully eliminated, the bias toward corporate interests and an upper-income target audience will be magnified.

Moreover, although the federal grant is only around 15 percent of the budget, this has provided congressional right-wingers—who oppose public broadcasting in principle—with opportunities to constantly harass PBS and NPR. These conservatives will not be satisfied until public broadcasting is crushed, but they use their positions to intimidate public broadcasters into violating their professional judgment regarding programming to appease the right and keep their meager subsidies alive for another three years. The conservatives are obsessed with seeing that nothing gets through the public system that falls outside of the ideological boundaries provided by the implicit censorship of a commercial system. (Then, of course, to the extent that the public system duplicates commercial broadcasting, it is irrelevant and unworthy of support.) And, as almost all examinations of public broadcasting reveal, this right-wing attack has had a devastating effect on PBS and NPR content, especially concerning news and public affairs. It is one of the reasons the public system has barely offered a critical alternative to the journalism and public affairs coverage found on the commercial media.

For some on the political left who oppose commercial broadcasting in principle, the corruption of PBS to the point where its prime-time public affairs are now dominated by the political right in a thoroughly unbalanced manner has been so profound that they agree that it is proper to end the public subsidy and let the system become more explicitly commercial. To these leftists, the battle over public broadcasting is being fought among the elite and there is little to be gained regardless of the outcome for the bulk of the citizenry. Indeed, with the success of conservatives and neoliberals in dominating the programming of PBS, the logical question is why then are Newt Gingrich and so many other conservatives still obsessed with the elimination of U.S. public broadcasting? Gingrich and the Republicans state that the revolutionary

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expansion of channels produced by the communication revolution has rendered absurd the argument for government-subsidized broadcasting. The free market can now effectively meet consumer demand and there is no justification for wasting taxpayer money to subsidize one of the competitors. The government has no business interfering with the free market. And, indeed, PBS and NPR stations will survive without a federal subsidy by becoming more explicitly commercial enterprises. Defenders of public broadcasting will emphasize that this turn to commercialism will undermine what makes public broadcasting special and important, but that is a tough argument to make stick in our political culture, despite the clear truth that the market places ideological constraints upon its programming. If the same defenders accept the marketplace as such a wonderful regulator elsewhere, why not in broadcasting? This is the theme that Gingrich and the Republicans continually hammer home.

Now let's be clear: the much pronounced principle that the government should not interfere in markets is utter nonsense. The very same people who so piously state this eagerly support several hundred billion dollars of annual military spending, a significant purpose of which is to subsidize activities that the marketplace would not support. Major U.S. industries, including aeronautics, computers, and electronics, would be shadows of their present selves if they had to do without these subsidies. For example, at one point fully 85 percent of research and development in the electronics industry was paid for by the federal government, although the eventual profits accrued to private firms. The rest of the federal budget and tax code is also chock full of subsidies for corporations and the wealthy. More specifically, the entire process by which the government has licensed the publicly owned airwaves at no charge to capitalist broadcasters for the past seventy years has been a massive subsidy to a multi-billion dollar industry. In reality, the entire history of communications in the United States is one of repeated direct and indirect government subsidies to private business. The real

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principle implied is that the government should only subsidize the wealthy and powerful and those whose support is necessary to keep them in power to serve further the wealthy and powerful. Programs that serve the poor and working class—such as welfare, unemployment insurance, daycare and health care subsidies, the minimum wage, the right to unionize, public education subsidies, public housing, public job training—are on the chopping block. And for the most part this is the platform of Bill Clinton and the Democrats, albeit packaged in different rhetoric. This real principle might also explain why the conservatives are taking dead-aim at public broadcasting. After twenty-five years, the public system, with its valuable channels, appears to have some notable commercial potential. By tradition, this is the ideal time to turn them over to private interests. Along these lines, several major communication firms, including Rupert Murdoch's News, Inc., TCI, and Bell Atlantic, are rumored to be interested in taking control of the some of the more valuable public stations.

But even if there were no corporate interest in acquiring the public system, conservatives still would be attacking PBS and NPR because the right wants to disband publicly subsidized journalism and investigative reporting. The right is obsessed with what it regards as the liberal bias of U.S. journalism and it believes this liberal bias is most apparent on PBS and NPR. To accept the argument that U.S. journalism overall has a liberal bias requires a belief in the presupposition that editors and journalists have almost complete control over what goes into the news, and since journalists tends to be liberal, the news is liberal. In conservative analysis, the institutional factors of corporate ownership, profit-motivation, and advertising-support have no effect—or, better stated, no *negative* effect—on media content. When conservatives fuse this presupposition with new class theory, liberal journalism becomes a major threat to the survival of the republic. New class theory argues that U.S. society is not dominated by the wealthy and powerful and managed primarily to satisfy their selfish

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aims, but rather that the interests of the rich and the working class are effectively identical and good. In new class theory, the main threat to these "good guys" comes from an alleged super-powerful "new class" of liberal intellectuals—including journalists—seeking to dominate U.S. society in an unholy alliance with government bureaucrats, college professors, nonfundamentalist ministers, welfare recipients, and illegal immigrants. There is little time to discuss this point now, but it strikes me as so much self-serving nonsense, predicated on a complete obfuscation of the class basis of U.S. society. Likewise, the notion that journalists have complete control over the news is ludicrous and indefensible.

The conservatives are right about one thing, though. Journalists do tend to be liberal, but it is a liberalism that is rigidly defined by being on the "left" side of the spectrum of elite opinion. The conservatives err in collapsing liberals and radicals into one montage of leftishness that ranges unambiguously from Bill Clinton to Subcommandante Marcos; to make conservatism "populist," it is mandatory that the "alternative" to their position be the elitist corporate liberalism of the U.S. Democratic Party and the *New York Times*. There is no place for a genuine class-based, principled left position except as caricature. In truth, the real chasm in U.S. politics and media culture is between those within the range of elite opinion—the conservatives and the liberals—and those outside it, who tend to regard the world in terms of class power and are, by definition, radicals. Journalists are almost never radicals, but some genuine progressives have survived and done good work over the years by taking advantage of what journalistic autonomy has existed. This has proven ever more difficult in recent years, as elite opinion has moved rightward, bringing along with it journalistic "liberalism." Under the severe commercial constraints and corporate cutbacks facing journalists, they are hard pressed to interject any politics that might antagonize their bosses. To the extent that journalists do determine the news, for the most part they are fighting an uphill battle with their sources and the public relations industry

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for control of the news. In short, the autonomy of journalism has been greatly undermined.

Now what is interesting is that conservatives have no qualms about this whatsoever. In fact, one could argue that the entire conservative media project is predicated on crushing journalistic autonomy and having a feeble journalism that kowtows to the interests of not only media owners and advertisers, but the wealthy and powerful in general. In this context, it is no surprise that recently Newt Gingrich urged media owners and advertisers to crack the whip on the "socialists" in the newsroom, to see that the news conform to the owners' and the advertisers' political agenda. This explains why conservatives are so obsessed with smashing, or at least intimidating, nonprofit and noncommercial broadcasting. They realize full well that the marketplace implicitly censors journalism to keep it within a range they consider acceptable. Conservatives live in fear of a journalism not constrained by profit imperatives and commercial support. It is true that much of public broadcasting journalism and public affairs programming is indistinguishable from commercial journalism. That is why Democrats support public broadcasting and why some leftists oppose it. Nonetheless, on occasions stories slip through and programs get produced that would never clear a commercial media hurdle. This is especially true on public radio and with some of the more progressive community stations that would suffer the most without any federal grant money. And this is precisely why it is so important for those who believe in journalism, free expression, and democracy to fight on behalf of public broadcasting.

This is far more than a battle among the elite for control of media turf. The market has declared war on journalism. It is now more necessary than ever for public policy to mandate a well-funded, independent journalism and communication system, not merely in the fight for public broadcasting but in any number of creative measures to politicize our culture. Once the principle of publicly funded broadcasting is abandoned, it will be ever more difficult to reinstate it. The right-wing assault on public broadcasting is not an isolated or exceptional phenome-

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non. It is part and parcel of a wholesale attack on all those institutions that have some autonomy from the market and the rule of capital. Thus public libraries and public education—two institutions far more significant than public broadcasting in U.S. culture—are being primed for privatization and an effective renunciation of the democratic principles upon which they were developed. Advertising-supported schools and schooling-for-profit, notions regarded as obscene only a decade ago, are moving to the center of education policy debates. The closest case to public broadcasting is that of higher education. Here too, the right prattles on about leftist thought police and politically correct speech codes, when in fact the dominant trend for U.S. universities is to turn increasingly to professional education and orient research toward the market. In short, the right wishes to eliminate the autonomy of the university and see it thoroughly integrated into the capitalist economy. The extent to which this is accomplished, as with public broadcasting or public education, is the extent to which our ability to generate a democratic and critical debate concerning our future is reduced. The reign of capital becomes more entrenched and commercial values become more "natural." The right knows this and it is about time the rest of us realize it too.

The political nature of the right-wing assault on public broadcasting in the United States becomes clearer when one takes a global perspective. Whereas in the United States public broadcasting has been a marginal enterprise, it has tended to be a far more significant, even dominant, component of the media landscapes in many other nations. In virtually every nation of the world, the rapid globalization of capitalism has encouraged the privatization and commercialization of formerly public broadcasting systems. On one hand, this is due to pressure by transnational firms, the major advertisers both in the United States and globally, to have a broadcast system dedicated to serving their needs first and foremost. On the other hand, this process is abetted by the global fiscal crises of nation-states, crises encouraged by both economic stagnation and the general attack on the

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social components of the state by global capital and the IMF. In this context, eliminating the expensive public subsidy to broadcasting and permitting advertisers to bankroll and capitalists to direct broadcasting seems the only feasible option.

The global attack on public broadcasting also has a political edge. Be it in Germany or Scandinavia or India, neoliberal pro-market conservative forces lead the battle against public broadcasting. These are also the same forces that are doing battle to limit national autonomy and popular democracy in the face of the new world order of transnational capital. We live in a paradoxical situation where more of the world is formally democratic today, yet most people feel like the fundamental decisions in their societies are increasingly beyond their political control. The institutions necessary for self-government to be effective are being obliterated by market forces. Edward Herman has characterized this process as the "end of Democracy." Aggressive, feisty journalism is the last thing the rulers of the new world order want or need, and if journalism is left to the market, it may well be the last thing they will get. Over much of the world for example, international broadcast news is provided by CNN, a global network explicitly targeted to the upwardly mobile consumers of the world. In other words, CNN provides a market-driven context for journalism in which at least 80 percent of the world's population is written off as irrelevant. If this is a democratic journalism, it is the democracy of Hobbes.

In sum, while the specific fate of U.S. public broadcasting can be characterized as "small potatoes" in the big scheme of things, the principle it represents goes directly to the question of what type of society will dominate in the United States and globally for the coming generations. Will it be one in which the market and profits are sacrosanct, off-limits to informed political debate? Will it be one in which the notion of citizen will be replaced by that of consumer and where we will have a society formally based on one-dollar, one-vote rather than one-person, one-vote? Will we have a society where people are regarded primarily as fodder for corporate profitability, or will we have a society where citizens have the right to actually

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determine whatever economic system they regard as best for society? This was precisely how the 1930s broadcast reformers understood the long-term implications of the fight for the control of broadcasting; it remains the fundamental question before us.

I would like to conclude by returning to the more general issue of the communication revolution, since public broadcasting policy is really only a subset of that broader topic. Karl Marx wrote somewhere that the supreme contradiction of capitalism was the evermounting tension between the increasing socialization of production and the continued private appropriation of surplus. To put it somewhat differently, the core problem is that a capitalist-controlled, profit-motivated society increasingly undermines and warps the capacity of that society to fulfill its growing social and technological potential. I believe this observation is useful in comprehending what has been and is taking place in both the United States and the world.

On one hand, technological advances mean that only a fraction of the workforce can now produce what a fully employed economy did just thirty-five or forty years ago. Yet because this is a capitalist society, this has not translated into a higher living standard, a more relaxed and pleasant quality of life, or a commitment to repairing our ecology and urban environments, although these seem like rational expectations. To the contrary, living standards have plummeted and the quality of life is disintegrating. Why? Because these new technologies are there not to serve the common good, but to produce profit. Although the contributions of the market have been immense through the centuries, increasingly our global economic system seems bent on irrational destruction in the wanton and uncontrollable pursuit of profit.

This might also provide a context for considering the revolutionary potential of the communication and information technologies that exist or loom on the horizon. The proponents of a forthcoming utopia are correct in that these technologies *do* have world-historical potential, in a manner not unlike the printing press or the Industrial Revolution.

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However, to the extent that these technological enthusiasts believe these technologies can override the logic and power of capital, there is little evidence to support such a view. Moreover, to the extent to which our society, or any society for that matter, fails to examine and debate alternative policies in communication, is the extent to which our democracy is incomplete.

This point was clear to the broadcast reformers of the 1930s. They understood that journalism and communication were central to democracy, and that a communication system dedicated to profit could never provide the arena for the discourse so necessary for a meaningful democracy. One could look at the 1930s reformers and say that the manner in which they were crushed merely highlights the futility of opposing capital and that it is utopian and absurd to think it possible to do more than to eke out small concessions on the margins. But when one looks at the United States and the world today, where even the social democratic and liberal measures of past generations are now considered unrealistic and are being terminated, is it not even more utopian to think the system has room for reform in any meaningful sense? I am not suggesting that immediate political revolution is the only option, merely that the only manner to exact change will be by honestly assessing the situation and doing battle with those forces that are leading the assault on democracy. At present there is a tendency to avoid the truth because the social system seems impervious to radical change and speaking the truth to those in power might jeopardize chances at wrangling concessions from them. When we stop speaking the truth to power, we soon stop speaking it to each other, and it is only a matter of time until we stop looking for it or even recognizing it.

This tendency to compromise our vision to accommodate the interests of the powerful—to censor ourselves—may well be the most dangerous and reactionary idea of them all, and one that we can and must abolish. As Noam Chomsky likes to say, "If you act like there is no possibility for change, you guarantee that there will be no change."

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GLOBALIZATION VERSUS LABOR

by DAVE BROAD

What is Globalization?

A specter is haunting the workers of the world—the specter of globalization. In recent years the term globalization has been bandied about so much that its meaning seems self-evident. This globalization trend is discussed and accepted as readily as the law of gravity, but the notion itself is seldom called into question. For example, in his discussion paper entitled "A Framework for Economic Policy" Canada's Finance Minister Paul Martin notes three trends that we are told Canadian policy-makers must heed: (1) globalization; (2) the growth of the newly industrializing countries; and (3) the so-called information economy. The unquestioned assumption for Martin and others is that these trends are forces to which we must all adapt and adjust. But why? we should ask.

If we are really to understand the trends in question and be able to deal with them, we must know their historical roots. And the first thing we discover when we look at history is that globalization is nothing new. It began roughly five hundred years ago with the so-called voyages of discovery, which coin-

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cided with the emergence of the capitalist world economy. People like Christopher Columbus were the outrunners for merchant capitalists, who funded voyages in pursuit of new wealth in the form of bullion and tradeable commodities. The result, which we all should know, was the conquest and subjugation of colonial peoples, the pillage of their resources, and the harnessing of their labor to produce commodities for the expanding capitalist market. In Canada, staples like fish, fur, timber, wheat, and minerals were all grist for the mills of England and other European colonial powers.

This early globalization produced a world economic and political structure through which corporate interests in the imperial centers benefited from the exploitation of labor in peripheral areas. This relationship was most obvious in the era of formal colonial rule, but has continued with the neocolonialism that followed formal independence. Meanwhile, the companies responsible are not significantly different, whether they are the Hudson's Bay Company, supported by the English crown, or General Motors, supported by the U.S. government.

So, is anything new with the current phase of globalization? Well, in fact, yes, but more by way of a "deepening" than a qualitative change in the global economic structure. After five hundred years, we still find a world economy characterized by center-periphery relations of domination and exploitation. A few newly industrializing countries like Brazil and South Korea, may have advanced beyond the typical Third World lot. However, some countries in Africa have slipped into what some call the Fourth World, and global powers like the United States still try to lord it over the Third World. Witness, for example, U.S. actions in the Persian Gulf and Somalia.

But despite the continuation of imperialism and the center-periphery divide, the "deepening" of global capitalist production relations has brought significant changes to the lives of communities and workers in the center and the periphery. Contrary to the constant media hype about the

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challenges and opportunities brought by globalization, the changes are not positive for most people. These changes result from what some authors call the "new international division of labor" (NIDL), dating from about 1970. The NIDL marks another significant step in the history of globalization. No longer is the Third World relegated to production and export of primary products and importation of manufactured goods from the First World.

Advances in technology have increased the global reach of capitalist production processes. Recent technological advances allow easier, cheaper, and faster communication and transportation, and the ability to break up production processes into segments that can be parcelled all over the globe. This is not just a matter of labor-intensive work being shipped off to the periphery, as proponents of freer trade argue. The Canadian Auto Workers (CAW), for example, warn that much of the new auto production in Mexico and other parts of the periphery involves technologies and skills as sophisticated as those in Canada and the United States, but, of course, at a fraction of the cost.

Most discussions suggest that globalization is the product of a combination of market competition and a sort of natural unfolding of new technologies, but there is nothing neutral about competition or technology. Competition in a capitalist market economy results from the drive of businesses to accumulate profits by producing goods and services faster and cheaper. Since the beginning of the Industrial Revolution, the application of new technologies for market production has been driven by the same profit motive. For labor, this means being used as just another "factor of production," whose performance is measured by efficiency and cost. With the early Industrial Revolution this led, among other things, to the superexploitation of women and children that continues in the Third World.

Trade unions and labor parties fought long and hard to improve living and working conditions, curbing the worst abuses of workers and their families in First World countries,

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and contributing to the expansion of the welfare state. The decreased labor market flexibility and increased labor costs could be tolerated by business so long as large monopoly corporations could control consumer markets and reduce costs through continued exploitation of the periphery. And, as Henry Ford discovered, paying workers a bit more caused an expansion of the consumer market.

But there is always a day of reckoning in capitalist markets, and the latest came around 1970 when the world economy began a downturn that has worsened through every recession since. We do not much hear the word "depression" these days but, except for the existence of the welfare state (a significant exception for the working class), the economic stagnation of the last quarter century looks little different than that of the 1930s. Roosevelt's New Deal and similar programs elsewhere were intended to address the problem. However, it was primarily the Second World War and the postwar boom that reversed the stagnation of the 1930s. There are still warring tendencies in global capitalism but, especially with the end of the Cold War, a repeat of the Second World War and the postwar military economic boom appears unlikely.

So business has had to resort to more mundane ways of renewing economic growth and confronting the heightened competition that has come with economic stagnation. These attempts to renew economic growth are usually packaged under the heading "restructuring," which has become as much of a buzzword as globalization. Corporate restructuring essentially refers to attempts to cut costs and regain control over labor—euphemistically treated as returning "flexibility" to the labor market. Business leaders and politicians tell us constantly that we must all adapt to increasing competition in the world market. But adapting to global competition means something quite different for communities and workers than for large corporations like Ford and Toyota. The opposed interests of capital and labor have been made quite obvious by the recent phase of globalization. In fact, the so-called NIDL is a product of this opposition.

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In sum, this globalization, which is currently being referred to as something new, is actually capitalism coming to full fruition. What is being called "restructuring" is capitalism showing its true face. This is the so-called triumph of capitalism, which was staved off by historical struggles for civil, political, and social rights—by struggles for the welfare state. We have heard a lot in recent years about privatization and deregulation, which really amounts to the reemergence of a trend that has been part of capitalism from its beginning—"the commodification of everything."

So, what does all this mean for labor?

What's Happening to Labor?

Work and workers have been subject to a number of trends that are, like globalization, not new but deepening. Most obvious is the increase in unemployment and underemployment, as businesses "downsize" and "shed labor" to reduce production costs. The International Labor Organization (ILO) "estimates that 30 percent of the world's labor force of about 2.5 billion people is either unemployed or underemployed," and expects this situation to worsen. In addition, global restructuring has produced or accelerated processes referred to in the literature as "degradation of labor, feminization of labor, housewifization of labor, informalization of labor, casualization of labor, and peripheralization of labor."[1]

(1) "Degradation of labor" has been a constant since the beginnings of capitalist production, and especially since the Industrial Revolution.[2] It is a process whereby workers have been separated from control of their work and subjected to a deskilling that has, in the worst cases, made them little more than the automatons depicted so well by Charlie Chaplin in his film *Modern Times*. Workers in assembly-line mass production are often little more than cogs in the machine. They experience degrees of alienation that make the conventional economic term "factors of production" most appropriate.

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According to propaganda surrounding the current phase of restructuring, the alienation and degradation of mass production work is a thing of the past. Workers are now the happy beneficiaries of Quality of Working Life and other such programs, we are told. Well, in the developed countries at least. The extension of modern manufacturing production to the Third World has been a process that French economist Alain Lipietz calls "bloody Taylorism," referring to the father of modern mass production, Frederick Taylor.[3]

However, in the First World as well, degradation of labor continues. Use of new technologies like computers and robotics ostensibly allows mass production to be replaced by more stimulating "teamwork." Some workers *do* benefit from these processes, but there is plenty of evidence to suggest that most do not. Rather than improving and enhancing workers' lives, Heather Menzies' summary of research shows that the new technologies have been used primarily to displace and control workers.[4] Mike Parker and Jane Slaughter have referred to the new work arrangements as "management by stress," because they push workers to higher levels of self-exploitation.[5] While not all workers are totally unskilled, Menzies argues that the majority are only semi-skilled and workers themselves have voted against the new production methods by staging strikes at such ultra-modern facilities as the CAMI and NUMMI automobile factories in Canada and the United States. It appears, once again, that the proof of the pudding is in the eating.

(2) One of the most discussed post-Second World War trends is the "feminization of labor." Having been formally relegated to the domestic sphere towards the end of the Industrial Revolution, only 24 percent of Canadian women participated in the formal labor force in 1951. With the growth of the post-Second World War consumer society, women's participation increased to 40 percent by 1971, and to 60 percent by 1991. But this change did not amount to a liberation of women.

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Many women entered into formal employment in the 1950s and 1960s to satisfy the growing demand for household income to purchase consumer items like cars and "labor-saving" conveniences. But the labor that was saved from old menial tasks was taken up with the operation of new household gadgets. One set of "women's work" was replaced by another and women were still left with most family responsibilities.

In the formal economy, women found themselves as the main labor force for the growing service sector, doing the most degraded, low-status, low-waged work—again "women's work," actually an extension of domestic work to the formal economy. In 1991, 71 percent of formally employed women, as opposed to only 30 percent of men, were concentrated into five occupational groupings (teaching, nursing, clerical, sales, and service), most being in the low-paid service sector. Women's average income is still only 70 percent of men's. There *has* been a steady increase in the ratio of women's to men's income, but partly because men's average income has been dropping in recent years. Some women have moved into higher professional and management jobs, but the majority are still found at the bottom of the ladder. The lowest of the low is child-care work—the lowest paid profession in the country, with only 3 percent of workers in the profession being men. The sorry state of what should be deemed one of the most important professions is a telling statement about the nature of our society.

(3) Related to the feminization of labor is what three German sociologists call the "housewifization of labor."[6] The term is used to refer to a process whereby not only the workforce but work itself takes on the characteristics of housewifery. Increasingly formal work is low-status, low-paid, and ostensibly low-skilled, but employers expect the ingenuity and output typical of housework. We are not talking only about the work women do, but that done by men as well. Considering this trend, Claudia von Werlhof predicts that in the future

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the full-time waged worker—the proletarian worker of yore—will be replaced by the peasant and the housewife.[7]

(4) Along with housewifization of formal labor, we find the "informalization of labor." By most accounts, including that of Revenue Canada, which sees a conspiracy to evade taxes, informalization is a growing phenomenon. As corporations shed workers and outsource to the Third World, people must resort to the informal economy to survive. But capital also resorts to the informal economy to cut costs of production. This can take a number of forms, including an increase in unregulated sweatshop production, and the farming out of textiles and electronics work to women in the home—industrial "homeworking." The Japanese economy depends upon a "tier system" whereby specialty parts manufactured in back alley workshops find themselves in the newest Nissan or Toyota rolling off the line.

Informalization also means returning the onus for reproduction of families and workers to the home and to women. This is the disguised intent of a lot of right-wing discussion which laments the decline of "the family," suggesting that many of our social problems would disappear if we would just return to so-called traditional values. Of course, the "traditional family" is a myth, tied to the myth that women did not work outside the household until the 1960s. At the risk of being called "politically correct," I don't imagine that most women relish their return to the real traditions of combining child care, housework, and part-time formal employment.

(5) This leads us to a trend some British researchers call the "casualization of labor." The mid-twentieth-century picture of the full-time proletarian wage worker, male *or* female, as the vision of the future has surely been dispelled by the expansion of part-time, short-term, contract, and other sorts of casual labor. According to studies by the Economic Council of Canada and Statistics Canada, so-called nonstandard or contingent labor now makes up two-fifths of the Canadian labor market. Casual labor is the fastest growing type of labor, with over one-third of part-timers reporting to Statistics Can-

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ada that they are involuntary part-timers, and many others (primarily women) reporting that they do not want full-time work because of family responsibilities. Organized labor argues that employers have been using casual labor to cut wage and benefit costs and reassert their control over the labor market.

(6) Many of the above-noted trends apply to restructuring in center *and* periphery states of the world economy, but their impact appears more dramatic in relation to the rolling back of labor and welfare gains in the First World. As working and living conditions here come to look more like the Third World norm, some writers say that we are experiencing a "peripheralization of the center," or "Latinamericanization" of the United States and Canada. This certainly seems to be the case with moves like the Canada–U.S. FTA and NAFTA which, contrary to statements by the proponents of free trade, are creating a level playing field that lowers standards.

We see this leveling down both in terms of general living standards in Canada and the United States, with increasing inequality, homelessness, and need for food banks and soup kitchens, and in terms of labor standards, with more and more workers unemployed or underemployed at what the labor movement calls "McJobs." These are low-wage, low-status, part-time jobs that are insecure and offer few benefits. The Economic Council of Canada called these "bad jobs" and, along with others, forecast the highest rates of employment growth in such work. One conservative estimate predicts that 80 percent of new jobs in the foreseeable future will be bad jobs, and only 20 percent will be the "good jobs" of the so-called post-industrial society glamorized by pop sociology.

The information age, we are told, is substituting a new form of "flexible production" for the "Fordist production" named after the mass production system associated with Henry Ford's auto plants. The problem with this flexible production to date, according to labor, is that it is workers who bear most of the burden of being flexible. My own prediction, if the above-noted trends continue, is that we will not end up in the post-industrial promised land, but in the "bladerunner" society depicted in the

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movie of that name. It is a bleak world in which bio-engineering has resulted in the ultimate degradation of labor, as superhuman slaves become the primary commodity of a powerful corporate giant. It is a world where life on the street has become the grubby, crime-ridden survival of the fittest that we see in decaying U.S. cities and throughout the Third World. It is a black world in which environmental degradation has destroyed the Earth's atmosphere. Henry Fordism is replaced by Harrison Fordism.

What Is To Be Done?

So, how do we avoid the bladerunner society?

First, we must counter the current neoliberal dogma that there is no alternative but to bow to the "laws of capital markets," as Paul Martin calls them. Adherence to the notion that there are natural economic laws akin to the law of gravity prevents us from doing what is necessary to resolve the crises of poverty, inequality, and environmental destruction. This includes recognizing that the most serious deficits we face are not financial, but social and democratic. Economic systems are human inventions, and if the one we have is not serving the needs of the world's people, we must invent a better one.

Second, as David Noble suggests in a recent article on the so-called information highway, we can pull the plug on technologies that are degrading workers and the planet.[8] We must dispute the all-too-prevalent assumption that technologies are somehow neutral products of a mechanical history, and that we must adapt and adjust to them. Technologies and their application are the product of human choices. Some can improve our lives. Others should be done away with if they serve to further exploit people and destroy the environment. This may involve transforming First World lifestyles by, for example, replacing personal transport with improved and expanded public transportation systems.

Third, we can follow the advice of those arguing for better labor standards laws. At the global level, Jim Stanford and others argue for laws against "social dumping," whereby trade agree-

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ments such as NAFTA allow employers to flee zones with stricter labor and environmental legislation and move to zones such as the southern United States and Mexico, which have lax legislation and enforcement of standards.[9] What is demanded here is a social charter along the lines of that included in the negotiations for the European Union, but better.

Labor standards can also be targeted at the local level, as was done with Saskatchewan's Bill 32 to amend the provincial Labor Standards Act. Bill 32 contains provisions which would curb employers' exploitation of part-time and other casual workers by legislating more access to benefits and control over scheduling and hours of work by part-time workers themselves. Unfortunately for workers, the provincial government bowed to neoliberalism and a vocal business lobby that opposed the revised legislation with the argument that it would not allow the flexibility that business needs, and would drive capital out of the province. The Saskatchewan Federation of Labor argues that, in the end, the intent of the revised act was watered down by weak enabling regulations.

The Saskatchewan story leads me to a fourth recommendation, on which the previous three recommendations depend. History shows that improvements to living and working conditions will not be gained without strong social movements to fight for them. We have seen this in past struggles for labor rights and improvements in social welfare. Such improvements did not drop from the sky, nor were they bequeathed freely by benevolent politicians. They were fought for and won by workers, women, racially oppressed groups, and the colonized on the periphery. Where these improvements in living and working conditions have been stalled or rolled back is where the movements for social change have faltered. These movements must be revived and strengthened. Given the deepening globalization of capitalist exploitation and oppression, now more than ever we must accelerate the work of uniting these movements into a global coalition. Otherwise the kind of beggar-thy-self strategies pushing workers and communities to outcompete each other in the race to the bottom will certainly lead us to the bladerunner society. But remember, even in the bladerunner society the slaves fought for their freedom.

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NICARAGUAN PRESIDENT VIOLETA CHAMORRO: FIVE YEARS OF "STRUCTURAL ADJUSTMENT"

by JOSEPH E. MULLIGAN, S.J.

The impact of what has happened in the last five years in Nicaragua can be grasped only against the background of the previous period. Thus this article begins by reaching back ten years to an important event which captured something of the spirit of the revolution. Then it moves to a statement reflecting people's shock at the 1990 turn of events. We then enter into an analysis of what has happened under the Chamorro administration.

I.

Ten years ago, on July 7, 1985, Nicaragua's Foreign Minister, Father Miguel D'Escoto, began a period of fasting and prayer as the start of what he called a "gospel insurrection for peace, in defense of life and against U.S.-sponsored terrorism."

On July 8 President Daniel Ortega visited D'Escoto and said: "We have confronted U.S. aggression with our combatants, our peasants, militants, workers, youth, and with every legal recourse possible. Now there is a new tool in the struggle for peace and we the government support it."

Joseph Mulligan is a Jesuit priest from Detroit working with the Christian base communities of Nicaraqua. He is also the author of *The Jesuit Martyrs of El Salvador-Celebrating the Anniversaries* (Baltimore: Fortkamp, 1994).

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Addressing a vast throng at the July 19 celebration of the sixth anniversary of the revolution, Ortega read the following message from D'Escoto:

After six years we have come together to proclaim that Nicaragua is free and will always struggle to keep the liberty we won on July 19, 1979. . . . The forces of U.S. imperialism do not understand that this revolution has a treasure: the compassionate love for the life of the poor and for national sovereignty. This treasure is the heart of our revolution and has no price. The eyes of the world watch our small nation with great hopes.

On August 6 D'Escoto stopped his fast at the urging of his doctors. Two weeks later he spoke at length about his personal spirituality and faith as the underlying motivation for the fast.

The mystery of the cross is a central concept for me—the cross as the inevitable consequence of doing the will of the Father. His mandate is that we be the ferment in building a more just and fraternal society. That obliges us to give personal example and to struggle to replace the old order of selfish relationships with the new order of respect, love, and justice. It is the struggle for the coming of the Kingdom, which will not be achieved overnight.

"That struggle requires," he continued,

a clear, categorical, and unambiguous denunciation of everything that keeps us from living as brothers and sisters. And this is the dimension of the Father's mandate which brings us the cross. For when we become a threat to the old order that others want to defend and maintain for their own interests, we become ipso facto a target of those people.

The old order targeted the Sandinista revolution with an arsenal of military, economic, and diplomatic violence and achieved its victory in February 1990 when Nicaraguans, tired of dying and starving, voted for Violeta Chamorro in the hopes of getting some relief.

II.

On November 16, 1990, the first anniversary of the assassinations of the six Jesuit priests and two women at the

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Central American University in San Salvador, a document entitled "Giving Reason for our Hope" was published in Managua. Subtitled "A Word of Encouragement to our People," the analysis of the Nicaraguan situation was signed by one hundred forty-eight priests and religious men and women belonging to eight dioceses of Nicaragua and to thirty-seven religious congregations and institutes, and by two hundred thirty-three Delegates of the Word and coordinators of Christian communities throughout the country.

"In these last months the world situation has changed profoundly," the letter began.

> The Berlin Wall came down. The Eastern European socialist bloc collapsed. The Cold War ended. The capitalist system declared itself the 'winner.' In Nicaragua, after the elections of February 25, 1990, a new business-oriented, neoliberal government has come to power.
>
> It sounds strange to us to hear that the First World interprets the Eastern European crisis as the 'triumph of capitalism,' because here in the Third World what we have been experiencing for ages is the failure of capitalism in reality: the prostration and death of the majority. Nowhere do we see the 'triumph of capitalism' when, from the Rio Grande to Patagonia, the situation worsens every day, and we live on the edge of a social explosion.
>
> From our situation here, we cannot ignore the fact that socialism, even with all its deficiencies, won the revolution against hunger and took care of the basic needs of the majority, although it did not find a way to be open to the revolution of freedom.
>
> It is true that capitalism makes the economy of the powerful grow, but it does so at the cost of making the poor poorer. By its continual interference in our countries, international capitalism (IMF, World Bank, International Development Bank, etc.) with its famous 'adjustments' forces upon our Latin American peoples its selfish neoliberal logic: give a minority the opportunity to create competitive and lucrative businesses in exchange for forcing the majority to give up trying to satisfy their basic needs.

The authors explained that

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the revolution did not fail; rather, it was suffocated. We did not have even one year of peace for reconstruction. It has been ten years of war supported by the strongest country on earth, a trade embargo, economic harassment, and ideological and religious war. It has not been shown in any way, for any honest observer, that this revolution was not viable in itself, but rather that it was not allowed to succeed. The strongest country on earth and many religious institutions aligned themselves with the local and international bourgeoisie to undermine the project of the poor through bloodshed, hunger, and satanization.

The document called for ongoing struggle in the new situation.

The electoral results mean that the poor and all those who had made an alliance of hope and struggle with them have lost the government in Nicaragua. The poor now will have to exercise our 'people's power' from below [as Daniel Ortega put it just after losing the election].

To be democratic does not mean to let oneself be subjugated by the antipeople measures of the new government: reduction in the buying power of salaries, massive firings, unemployment, the return of properties to large landowners and to people of Somoza's oligarchy, the privatization of collective property in favor of the powerful, drastic cutbacks in the social-service budget, etc. These measures are part of a phenomenon which our whole continent is suffering: the avalanche of capital against labor, of North against South, of the powerful against the weak, of the empire against the peoples.

The changes made in the past ten years are threatened but are still there: the agrarian reform, the constitution, the rule of law, access by the poorest to education and even to the university, greater participation in the culture, the growth of people's movements, of the awareness of the people and of their sense of dignity. What was just, remains just. What we gained must be defended. Ten exceptional years have come to an end. The fact that the government is once again in the hands of the bourgeoisie is no reason to be disheartened. Our people are again in the opposition, as practically all the peoples of Latin America are and have been during all these years.

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III.

Just after celebrating her fifth anniversary as president in April 1995, Violeta Chamorro addressed the workers of Nicaragua: "We have done much, but there is still a lot to do to attain the well-being we all want. I know that employment and other social needs continue to be the great challenges which we must all confront."

Indeed, extreme unemployment plagues Nicaragua after five years of "structural adjustment" under Chamorro. Joblessness has reached 70 percent, thanks to the International Monetary Fund's insistence on scaling down the state apparatus. Many of those without regular employment attempt to eke out their daily survival by washing windshields at traffic lights, selling everything from chewing gum to rearview mirrors in the streets, or selling their bodies in Managua's growing prostitution districts.

The showpiece economic achievement of the present administration—a significant control of inflation—has been obtained at the cost of stagnating the economy. On a visit to Washington in July, Foreign Minister Ernesto Leal extolled the drastic reduction of the hyperinflation of the late 1980s. That is a fact. However, he went on to say that "democracy is moving forward in Nicaragua and that the process of economic recovery is developing successfully." That is wishful thinking. Almost all sectors agree that there can be no genuine political democracy without economic democracy; and the economy is not only failing to distribute resources justly but is completely stagnant.

Thousands of government jobs have been eliminated, especially in the crucial health care sector; many former workers have used their severance package to turn their living rooms into a tiny grocery stores competing, in most cases unsuccessfully, with other mini-entrepreneurs.

The tight money policy has drastically reduced the availability of credit to peasant farmers and other small producers, while the government has facilitated loans to the profitable commercial import sector catering to the upper 15 percent

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who can afford cars, stereos, computer games, and costly medicines. (Various church organizations, such as CEPAD—the Protestant church council—and the Jesuits' Central American University, have low-interest loan programs to finance small artisan and agricultural enterprises.)

In the health sector, gone are the "people's pharmacies" of the Sandinista era in which prescriptions from public clinics could be filled at a relatively low cost. Now, while the corner drug store makes its 30 percent profit, most people find it impossible to get needed medications. In the poor barrios, not to mention the rural areas, people live with a variety of sicknesses and die from some of them. Ten days' worth of antibiotics to cure an infection could cost $150—three times the monthly salary of public school teachers, nurses, and many other workers.

The public hospitals are without medicine, surgical supplies, and diagnostic tools for the public patients, while these same items as well as the nicer rooms, are reserved for private clientele. Candidates for surgery must prepay their anesthesia and other elements of the surgical package; newspapers recently reported that fishing line is now being used in some operations. A neurosurgeon told me that only 10 percent of his public patients can buy the essential medicines he prescribes.

The health of Nicaraguans, especially of children, is undermined by galloping malnutrition and lack of water services. While the previous government subsidized essential food items, the Chamorro regime abolished such practices as socialistic. Skinny kids begging in the streets are a symptom of the "free-market" economy in which basic human rights go unattended if their satisfaction cannot be paid for. Christian base communities, which supported and cooperated with the social programs of the previous government, now offer child feeding services (as well as natural medicine clinics) in the absence of public programs.

Education is likewise plagued with inadequacies. A six-week teacher strike resulted in a $6 per month raise (bringing

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the monthly salary to $56), but after the first few months that will have to come from fees paid by the parents to the school. Such charges are relatively small and supposedly optional at the primary school level; but about half the nation's high schools have entered into the education ministry's "autonomy" program, becoming essentially private institutions and charging tuition and other fees which enable teachers and administrators to receive considerable raises. Many families cannot afford to keep all their children in school.

Those few Nicaraguans who travel by plane find their government's economic philosophy captured well by an ad insert in an airline's magazine touting the Karrass "Effective Negotiating" seminars. "In business," the ad begins, "you don't get what you deserve, you get what you negotiate." That may strike passengers who are in the business of nonessential goods and services as accurate and rather fair. But for those living in the squatters' settlements around the airport and throughout Managua, their daily bread and water is not something they have the wherewithal to negotiate over.

The ad ends with a quote attributed to *Newsweek*: "Negotiation is the game of life." For the Nicaraguan majority, life is not a game; it's deadly serious and they have few bargaining chips to play in an unfettered free market system where "the worth, value, and social status of an individual is judged by the market price he or she is able to command."

In addition to severe reductions in public spending, the IMF prescription includes the elimination of import tariffs and the privatization of public companies. Because of the war and lack of investment over the years, most of Nicaragua's productive apparatus is obsolete and uncompetitive; opening the floodgates to more imports will only finish off the agonized economy. As for selling off the state companies, most of this has been accomplished with little controversy. In the case of the nation's mining industry, however, many objected when the government sold most of it to foreign investors, thus trading long-term potential for immediate investment and reactivation.

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A current controversy revolves around the IMF's demand and the government's intention to put the telephone company up on the international auction block. This government enterprise is profitable and could continue to modernize its technology at an acceptable pace for Nicaragua. However, the IMF prescription for getting government out of the business world is implacable and Nicaragua intends to use the quick cash to satisfy the compensation claims of those whose property was expropriated by the Sandinistas.

Many Nicaraguans who lost mansions and large ranches during the 1980s subsequently became U.S. citizens and thus have the backing of the embassy to support their demands, even though the Chamorro administration denies that it should give them special attention.

While the domestic economy lies prostrate along with most of the population, the government finds the money to make annual payments of about $250 million to service its $11 billion foreign debt, the highest on a per capita basis in the world. The country's outlay for this purpose was the equivalent of its annual export earnings until last year, when the latter figure jumped to $350 million. About half of all international aid and credits to Nicaragua has been allocated to foreign debt and balance of payments support.

While the U.S. government has forgiven Nicaragua's debt, the Chamorro administration has officially dropped Nicaragua's claim on the United States for war damages, a claim supported by the World Court in 1986 when it ruled that Washington was committing aggression through the "contras." Sandinista economists estimated that damages done by U.S. aggression to Nicaragua in the 1980s amounted to between $5 and $17 billion dollars, enough to cancel or seriously dent the injured party's entire foreign debt.

As one of the most impoverished and most indebted countries, Nicaragua can make a strong claim for lenient treatment of its debt. With each Nicaraguan shouldering a $2500 share of the nation's foreign debt and with an annual GNP of about $400 per person, the logic and necessity of debt

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reduction is evident to everyone. If Nicaragua continues to be bled internationally at the current rate, its economy will remain stagnant or will downturn further.

Economists at the Jesuit-run Central American University propose that money saved by the government thanks to potential debt reduction be allocated to a serious development plan geared toward stimulating production, especially at the level of small and medium-size farms. This sector of about 50,000 families is crucial for the production of jobs, needed basic grains, and exports. The proposal also calls for a significant transfusion into the construction industry.

At the recent world summit on social development held in Copenhagen, glowing rhetoric fell short of binding resolutions but at least indicated some possible paths for the future. According to the 20/20 proposal, aid-giving nations would stipulate that 20 percent of their money must go to basic social services for the poor and the receiving government would likewise allocate the same percentage of its budget for that purpose.

Industrialized countries have been urged for some years now to devote more to foreign aid in view of the alarmingly deteriorating conditions of the majority of the world's 5.5 billion people. The proposal has not been received well. If the United States were to devote seven tenths of one percent of its GNP to foreign aid its budget for that purpose would more than double. Americans who reflect on our national priorities feel shame when they realize that the Agency for International Development receives about one percent of federal spending.

Most Americans feel that we are already very generous in helping the needy of the world. People do contribute to many private relief and development agencies in addition to paying their taxes. But official foreign-aid spending falls miserably short of the degree of sharing called for by any standards of human decency.

While generous foreign aid and merciful forgiveness of Nicaragua's enormous debt would help, there is consensus that the country itself must forge and implement a workable

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development plan. The political parties on their own do not seem up to the task. The Sandinista family is split in two, with Daniel Ortega and Tomás Borge firmly in control of the Frente, while former vice president Sergio Ramírez and former Minister of Health Dora Maria Téllez (currently an influential member of the national assembly) head a new party called the Sandinista Renewal Movement.

One politician who could unify the Sandinistas among themselves and also with "moderate" forces in and out of government is Managua's mayor, Arnoldo Alemán—bringing his enemies together against his steamrolling presidential campaign. His Somocista past and the abundant charges of city corruption will deter some from voting for Alemán, while many others will not want to risk letting such a vociferous anti-Sandinista plunge Nicaragua into violence and instability.

The next year, before elections in the fall of 1996, will be a period of alliance-making and coalition-building. Whether this will be of any real concern to the people depends on the political forces' genuine commitment to serious social and economic change and on their practical programs to move toward that goal. In Nicaragua, as in other Latin American countries, disaffection with the political structures is leading many to realize the essential need for basic organizing at all levels and in all sectors.

Neither revolutionary nor "moderate" movements can be relied upon to satisfy the fundamental human needs of the poor, especially if such movements retain the old "verticalist" or top-down style of the past. They are too easily corrupted or distanced from their base. To the extent that people are organized in truly participatory groups and committed to struggle for their interests, they may be able to entertain a realistic hope of gaining some degree of justice and eventually producing national political and economic structures which serve their needs.

The churches of Nicaragua, as well as those in this country, provide a potential base for organization and "concientización"—becoming aware of the mechanisms of injustice which cause the people's suffering. Nicaragua, with its

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enormous foreign debt, rampant unemployment, starvation wages, and widespread lack of access to fundamental social services, may be a caricature of what is in store for the majority of Americans in the 21st century. But if our churches can overcome their excessive emphasis on an alienating, spiritualistic kind of Christianity and grow in faithfulness to their founder, who proclaimed and incarnated the good news to the poor, they could be a powerful force in shaping a livable world for the next millennium.

Continued from back cover

(3) Though the two phenomena are in many ways dissimilar, it may not be inappropriate to compare on the one hand the National Recovery Act put in place by the first Roosevelt administration and on the other hand the Republican "revolution" now being enacted by the new congressional majorities that emerged from the mid-term elections of 1994. As argued above, the NRA was a fiasco which nevertheless had to have its day before the stage could be cleared for the next act, which turned out to be the New Deal. That the Republicans' "revolution" will also prove to be a fiasco seems a reasonable prediction. The shape of what may follow, however, is still hidden in the wings.

(4) Finally, there is one respect in which the situation today seems remarkably similar to that of the 1930s. At that time, as already noted above, there was the phenomenon of the "new electorate" that gave Roosevelt his majorities and provided the crucial political support for the New Deal. Nothing like that has happened since, but in recent years the potential for its happening has steadily increased. The explanantion of course is that the proportion of the population of voting age that bothers to register and vote has been declining for a long time and now seems to have more or less stabilized at around fifty percent. The other 50 percent constitutes a "new electorate" that, at least theoretically, is up for grabs.

Anyone interested in translating theory into practice should contact David Plotkin at the Human Serve Campaign. Volunteers for Human Serve monitor public assistance offices to determine whether or not they are complying with the Voter Registration Act by offering their clientele the opportunity to register to vote. Those interested in volunteering or in obtaining more information about Human Serve branches in their locale should call (212) 854-4053.

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THE POLITICS OF FREE TRADE: THE GLOBAL MARKETPLACE AS A CLOSET DICTATOR

by PETER SEYBOLD

Since NAFTA passed in the fall of 1993, a lot has transpired. As one who opposed NAFTA in a number of debates leading up to the vote it is tempting to say to NAFTA supporters "I told you so," but the recent stories in the American business press on the Mexican crisis and the fleeing of former president Salinas to the United States make the case against NAFTA even more convincing than a review of past arguments. The disclosure of a memo from Chase Manhattan Bank suggesting that President Zedillo eliminate the Zapatistas and give serious consideration to fixing elections underscores the necessity of examining the threat to democracy posed by the closet dictatorship of the global marketplace.

During the NAFTA debates and the intentionally shortened debate on GATT, workers and unions struggled to articulate a vision of their role in the global economy. It was a difficult task for the labor movement in the United States, which benefited in the past from U.S. dominance of the world economy. Driven by its uncritical acceptance of Cold War ideology, the national AFL-CIO had even assisted in suppressing independent labor movements in a variety of countries.

When the U.S. economy encountered fierce competition from capitalist rivals (from the mid-1970s to the present) and the global economy began working to the detriment of aver-

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age working Americans, the U.S. labor movement found itself in a predicament. Anticommunism, the glue which held together the AFL-CIO's international operations, lost its ability to bind together conflicting interests when the Cold War ended. However, for the AFL-CIO anticommunism remained as a lens through which to view insurgent union movements in developing nations. As a result of alliances formed during the Cold War the U.S. labor movement typically backed union leaders in foreign countries who collaborated with modernizing elites. In so doing, the AFL-CIO contributed to the creation of a business climate favorable to transnational corporations and to the movement of jobs outside United States borders.

With the international economy increasingly affecting the prospects for retaining jobs in the United States, the labor movement faced a critical question—how would labor respond to this dramatically different political environment? In the NAFTA debate labor generally argued against the agreement by emphasizing the prospect of job losses in the United States and by voicing a paternalistic concern for Mexican workers. In addition, some in the U.S. labor movement also talked about cross-border solidarity and international labor rights while also raising questions about environmental concerns, human rights, and issues related to national sovereignty.

However, the focus of labor's criticism was on job losses and to a lesser extent on problems faced by Mexican workers. While these arguments were certainly credible they did not help unions escape the charge that they were backward-looking, ethnocentric, and protectionist in their outlook. When the Cold War ended the leadership of the U.S. labor movement made minimal adjustments to its previous stance on international issues. Just as the government and the major political parties struggled to define the role of the United States in a new world order, so did the labor movement. Ambivalent about free trade and pressured by an aroused membership fearful of more job losses, the labor movement

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was torn between economic nationalism and international solidarity. With some notable exceptions at the grassroots level, labor generally failed to articulate a coherent vision of its role in a changing international political economy.

Desperate to defeat NAFTA, labor turned over de facto leadership of the anti-NAFTA fight to Ross Perot and his followers and thus failed to present its case in its most compelling form or to clearly define its own stance. Nevertheless, it came very close to defeating NAFTA even though there was a huge corporate lobbying effort on NAFTA's behalf by Mexico and lobbyists for U.S. transnational corporations. In fact, Mexico's lobbying effort is reportedly the largest Capitol hill campaign ever run by a foreign country. This effort surpassed both Kuwait's attempt to get the United States into the Gulf War and Toshiba's campaign to make amends for selling sensitive military equipment to the Soviet Union.

Shortly after NAFTA's passage, Mexico's social order began to unravel; first with the Chiapas rebellion and later with the assassination of a presidential candidate and more recently, with the devaluation of the peso. With each development the U.S. labor movement basically said to NAFTA supporters "I told you so," and then pointed to studies (by the Congressional Budget Office and others) which showed a net job loss in the United States since NAFTA's passage. In addition, labor highlighted the dramatic drop in Mexican workers' wages following the devaluation and pointed to the prospect of a worsening U.S./Mexico trade situation. The response of U.S. workers and their unions to the Mexican crisis was indeed contradictory. On the one hand, a great deal of pity was expressed for Mexican workers. But American workers (Thomson Consumer Electronics workers for example), who were laid off after strikes occurred in some Maquila plants also vented their anger about having their fate tied to Mexican workers. The crisis in Mexico brought to the surface once again a very real fear of job loss among U.S. workers because they rightly believed that the devaluation of the peso

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would act as a magnet to lure jobs from the United States to the Maquila plants.

As details emerged about the plan to bail out Mexico and the role of the CTM (a Mexican government-controlled labor federation) in suppressing protests, the national AFL-CIO was cautiously critical of the bailout. However, they did not embrace the statements or the actions of human rights coalitions such as the Border Rights Project that were considered outside labor circles and they discouraged local labor leaders from linking up to these coalitions.

The national leadership of the U.S. labor movement was trapped in a political box of its own making. The paradox confronting it was a product of its emphasis on U.S. job losses and a stereotyped view of Mexican workers in the NAFTA debate. The underdevelopment of arguments related to cross border solidarity, international labor rights, and the role of transnational banks in the Latin American debt crisis left the national AFL-CIO with a weak response to the Mexican crisis. Consequently, a coherent counter-argument or framework which could make the Mexican crisis understandable to the American public and to U.S. unionists did not emerge from the national labor movement. Instead, as during NAFTA, there was a lot of unfocused anger against the bailout of Mexico, which in its worst form was racist in content.

Labor's difficulty in formulating a clear response to the Mexican crisis could also be attributed to problems in obtaining accurate information about Mexico's financial situation. Until Congressman Henry Gonzalez revealed the details (after forcing Federal Reserve chief Alan Greenspan to disclose information) about U.S. financial dealings with Mexico from 1988 to 1993, the history of United States financial involvement was largely secret. These dealings included a $3.5 billion line of credit to the Salinas administration in 1988, followed by a $5.4 billion credit line from the International Monetary Fund in 1989. Then came U.S. interventions in August 1989 ($825 million), in August 1992 ($325 million), and in November 1993 ($6 billion).

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The larger context for these interventions was of course the NAFTA debate in the United States. As James Cypher has argued:

> An overvalued peso would draw in United States imports and slow Mexican exports to the United States. While the resulting deficit would clearly work to Mexico's disadvantage in terms of its trade balance, it had the advantage of selling NAFTA in the United States. The Mexican trade deficit meant that more U.S. jobs were created by U.S. exports to Mexico than were lost by U.S. imports of Mexican products. Of all the arguments used to sell NAFTA in the United States this was the strongest ... [1]

By focusing so narrowly on the jobs question in the NAFTA debate, the U. S. labor movement unwittingly gave proponents of NAFTA an opportunity to label them as protectionist. The labor movement resisted this label by saying that in theory it was not against free trade but it was against *this* NAFTA agreement. While this was an important distinction the corporate media ignored it. Supporters of the agreement, such as chief lobbying group USA NAFTA, continued to argue with all the access corporate money could buy, that the labor movement was a special interest group that was simply opposed to change and was resisting "our inevitable free trade future" in a global economy.

As the labor movement continues to grapple with the politics of free trade there are signs that it recognizes the importance of broadening the debate and focusing more attention on cross-border solidarity and international labor standards. Unions such as the Teamsters, United Electrical Workers, and others have established contacts with independent labor organizations such as FAT (Authentic Labor Front) in Mexico. Delegations of U.S. labor leaders have toured the Maquilas and have shared their experiences with others in the labor movement. Of special significance was the tour of the United States by Mexican workers during the NAFTA debate to talk about their struggle for social justice as well as the participation of some Mexican workers in recent organizing campaigns in several U.S. cities. These ties of

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international solidarity have the potential to transform the labor movement in North America.

As the fate of U.S. workers is increasingly tied to the fate of Canadian, Mexican, and other workers it will be necessary for U.S. labor to confront the effects of the global system—to understand not only their own losses but also what is happening to others. At issue is nothing less than the vitality of democracy. As William Greider argues, "as nations move toward equilibrium they ought to be governed by a global economic system that pushes the bottom up rather than pulling the top down." Greider goes on to state, "the democratic imperative is nothing less than that: to refashion the global economy so that it runs uphill for everyone, so that it enhances democracy rather than crippling it, so that the economic returns are distributed widely among all classes instead of narrowly at the top."[2]

To accomplish this task it becomes even more important for labor movements around the world to confront the notion that a free trade system as defined by the needs of transnational banks and corporations is the "natural order of things." In other words, labor must inevitably challenge the wisdom of letting the imperatives of the global marketplace define the boundaries of public policy.

NOTES

1. James M. Cypher, "NAFTA Shock—Mexico's Free Market Meltdown," *Dollars and Sense*, no. 198, March/April 1995.
2. William Greider, "The Global Marketplace: A Closet Dictator," in R. Nader et al. *The Case Against Free Trade*, San Francisco: Earth Island Press/North Atlantic, 1993.

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BOOKS

Madmen and Scribblers

by W.H. Locke Anderson

Alan M. Wald, *Writing from the Left: New Essays on Radical Culture and Politics.* London and New York: Verso, 1994. $59.95 cloth; $18.95 paper.

It is a both an honor and a challenge to review a book by Alan Wald, who is a major intellectual figure on the U.S. left, a prolific writer, a tireless organizer, and a much-missed friend from the days when we were both involved in activist politics in Ann Arbor—a radical for all seasons and a person of many parts. The culture and politics he addresses in the present collection are mainly those of the U.S. Communist Party and various American writers linked to the Party between the early 1930s and the late 1950s, the era of Stalin. It pulls together a large number of essays and book reviews that originally appeared in various publications, including *Monthly Review* and Monthly Review Press books. One of Wald's earlier books, *The New York Intellectuals* (The University of North Carolina Press, 1987), concerned the left groups and movements that grew up in opposition to the Party, predominantly Trotskyist. Another collection, *The Responsibility of Intellectuals* (Humanities Press, 1992), contains previously-published short pieces whose unifying thread is the rich variety of the non-Communist left movements. *Writing from the Left* is its logical successor.

Normally, reviewing a collection of book reviews and essays on writers requires the reviewer to record his "reading"

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of the various works of the author, who is recording his "readings" of a variety of other authors whose works do not always relate to one another very closely. This is very difficult to do well and such collections quickly get to be drudgery for the reader and reviewer. Wald largely avoids this problem, I am happy to say, since a common thread runs through all the essays and reviews and implicitly defines an agenda: the collection as a whole is an extended essay on the historical need for what is sometimes called a "vanguard" party, whether it is literally a party or some other kind of organization that does the same work. Here, the theme of the book is summed up:

> I see part of my role as a scholar as making accessible and relevant to present and potential socialist activists the experiences of these like-minded people from the past, especially hitherto obscure cultural workers or those who have been relegated as "minor" . . . I certainly encourage other scholars to extend this method into new areas in order to recover the contributions of not only cultural workers in fields outside literature (painting, sculpture, cartooning, music, dance) but also union activists and political militants, especially women and people of color.
>
> If I had to cite one "danger" for radical and socialist intellectuals and cultural workers that has cropped up repeatedly in my study of the past, and that is therefore quite likely to be the "Achilles' heel" of any future left, it is the recurrent tendency to misunderstand the indispensability of socialist organization. I simply cannot believe that intellectuals will be able to ally with people in struggle against oppression and repression without developing a serious alternative political organization.

This is essentially the position I reached when I was writing my recent review of Gerald Horne's *Black Liberation/ Red Scare: Ben Davis and the Communist Party* (*MR*, March 1995). Here I argued that in the absence of a full-time radical movement that can perform the everyday activist role the CP used to play in the politics of Harlem, the leaders of such a community will necessarily be out of touch with masses that have no practical means to articulate their goals and needs. One thing that a popular radical party with reliable, full-time cadres can do, which public leaders who have no such party behind them can manage only with the greatest difficulty, is to organize rallies, open meetings, marches, demonstrations, and the like in order to bring the leaders and the people in touch with one another. The ability to do so, moreover, creates for the party an aura of competence, enhancing its reputation and therefore its effectiveness.

Wald's brief introduction pays the devil his due, calling the

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CP "the most successful multi-racial class struggle political organization ever built on the U.S. Left" and noting that the Party and its allied movements were "exceedingly proletarian in composition and orientation." So complimentary a remark about the Party is not often encountered these days and it is all the more astonishing that it should come from a former member of the Socialist Workers Party! This should alert the reader that Wald is a man with a mission, which is to put an end to the factional wars among intellectuals on the Marxist left.

Part I, "Rethinking the Classics," comprises three essays (on Daniel Aaron, Alfred Kazin, and James T. Farrell) and five book reviews related in theme. Aaron, author of *Writers on the Left,* was a real pioneer in writing the history of the literary left; Kazin was a generally hostile commentator on left writers, and Farrell, a well-known novelist, was sympathetic to Marxism but had a very troubled relationship with the Party over its attempts to dictate the content of his writing.

The reviews are of books by Paula Rabinowitz, Greg Mitchell, Leonard Wilcox, and Cary Nelson and Jefferson Hendricks, all of which concern historical figures on the literary left. I regard it unfortunate that reviews make up such a large part of the book, but they are bread and butter to people whose academic speciality is literature and are therefore bound to loom large in such a collection. I shall not presume to write a critical review of Wald's reviews, which concern books I have not read, except to say that as a reviewer he is a very effective teacher.

Part II, "New Approaches," is made up of four essays, the first of which, entitled "Culture and Commitment," expresses the main outlines of Wald's understanding of the connection between radical artistic practice and politics:

> These excerpts . . . ought to remind one how partisan and irresponsible it is to reduce the hundreds of poets, fiction writers, and critics drawn to the U.S. Communist movement throughout its seventy-year history to tools, dupes, acolytes, or other mere instruments of "the Party line." As these quotations suggest, imaginative writers, whether Communists or vegetarians, are primarily engaged in recreating human experience through language and situating themselves in relation to traditions among contemporaries and earlier generations of writers. Whatever their political delusions and human flaws, left-wing artists possess other distinctive characteristics that make them unique and complex. Indeed, the fact that so many of the most extraordinary U.S. writers felt, for longer or shorter amounts of time, that the ideals of Communism and the organized Communist move-

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ment held out the best hope for humanity ought to be understood as an augmentation, complication, and enrichment of their literary lives. The choice of Marxist commitment, no matter how ill-founded in inaccurate information about the Soviet Union, ought not to be perverted into a means of dismissing their cultural contributions.

Wald's view of the literary left in relation to the Party is spelled out in the two "premises" of the essay "Communist Writers Fight Back." "The first," he states

> is that nothing I have uncovered in my research has led me to challenge the notion that the CP-USA was 'Stalinist' in its official political positions and in its general approach to cultural issues . . . The second premise, is that everything I have uncovered during the past three years convinces me that these official 'Stalinist' positions were far removed from the heart and soul of much of the cultural practice of writers around the Party. However one might choose to describe the situation of writers in the Soviet Union, the U.S. writers were in no way 'artists in uniform.' The conformity to literary doctrines that existed in the Party—and the manifestation was much more in theory than practice—came mainly from inner conviction.

Part III, "Cultural Theory," consists of three essays—"Leon Trotsky's Contributions to Marxist Cultural Theory and Literary Criticism," "Literary 'Leftism' Reconsidered," "Cultural Cross-Dressing: Radical Writers Represent African-Americans and Latinos in the McCarthy Era"—and a review of three books by Michael Löwy.

In the essay on literary "leftism" we find again the theme that "U.S. Communism was not free of political dependency on the Soviet Union, or of the normal institutional constraints that flow from hierarchy and bureaucracy; but Communist Party members chose this dependency out of certain convictions . . . ." By this time it is clear that this observation is a *leitmotiv* for the book as a whole, that is to say, for much of Wald's prodigious output of articles and reviews on the subject of literature and politics.

Part IV, entitled "Anti-Racism," consists of a review of Robin Kelley's 1993 book *Hammer and Hoe* and retrospective essays on Guy Endore's *Babouk,* Alexander Saxton's *The Rise and Fall of the White Republic,* and Lloyd Brown's *Iron City.* The first of the three essays, which originally appeared in *MR,* celebrates the 1991 republication by Monthly Review Press of a book that originally appeared more than fifty years earlier.

It is difficult to deliver a summary judgement on a collection like this, except to say that it pulls together an enormous range of writings by a gifted and prodigiously hard-working

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scholar who has a strong sense of responsibility for the future of the left. This left needs logbooks and road maps in today's difficult times and Wald has provided us with a brilliantly annotated Baedeker. But more than that, he has taken it upon himself to pursuade those of us on the non-Communist left to give up any lingering obsession with Stalinism, whose exit from the historical stage frees us both to examine our own work more critically and to train our sights on the real enemy.

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Strategy for Conquest

by Joel Kovel

J.M. Blaut, *The Colonizers Model of the World.* New York, London: Guilford Press, 1993. 246 pp. $17.95 paperback.

Is this not the best of all possible worlds? Voltaire's Dr. Pangloss thought so. So do contemporary pundits—not that the world is all good, for problems here and there are freely conceded, but that it is the best possible. We are after all Western Civilization, and the West, or Europe, is God's gift to humanity. Without the West, it is said, there would be little rationality, universality, or technological progress. In short, humanity would be denied the benefits of capitalism and modernity. Nor would we have the splendors of Western art and the prodigies of Western science—all surely the best that has ever been.

As a specimen of chauvinist reasoning this ideology is not difficult to demolish, however, more than reason is involved. The arrogance known as Eurocentrism is also a myth, drilled into us from childhood and deeply seated in our consciousness. It is not just an intellectual construction but a great binding legend which gives intelligibility to history. Thus it does not go away when refuted. The myth is centered on the idea that what is special about Europe consists of a kind of *essence.* In short, the West is because it is. As J.M. Blaut, a geographer at the University of Illinois, describes it in his fine book, Eurocentrism holds that the "the rise of Europe resulted . . . from historical forces generated within Europe itself; that Europe's rise above other civilizations . . . began before the dawn of

Joel Kovel is a frequent contribtor to *Monthly Review* and the author of *Red Hunting in the Promised Land* (New York: Basic Books, 1994).

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the modern era, before 1492." It follows that Europe's greatness is inherent; it is not the result of accident, conquest, or the tribute which flowed in the wake of Columbus' invasion of the Western Hemisphere. Europe in short is a historical *wunderkind*, a miracle to be diffused (the term is Blaut's) beneficently to the lesser nations.

Though less blatantly trumpeted than before, Eurocentrism persists as a kind of axiom which invests other ideas with common meaning. This dispersal of the myth contributes to its staying power. As Blaut comments,

> The number of distinguishable belief statements that make up this myth are, I am sure, uncountable. One of the many reasons the myth is so durable is the fact that the basic generalizations, the doctrine of the miracle, is supported by such a great variety of individual beliefs that historians of a given era can disprove some subset of these beliefs and yet the supporters of the myth can merely shift to other beliefs as grounding for the myth.

Mere refutation will not dispel Eurocentrism but sustained ideological critique can make a difference. This is Blaut's charge, which he fulfills splendidly. *The Colonizer's Model of the World* is a Baedeker of humbug. Blaut sets about disproving so large a subset of these beliefs that the reader is compelled to recognize the mythic basis of the European miracle. Meretricious scholarship, academic opportunism, ethnocentric bias, the capacity for self-deception—all stalk through its pages and are mowed down by the tireless Blaut.

Some of the arguments are distinctly racist in that genteel way that modern racism has of asserting a biological superiority without coming right out and saying so. Others appeal to a sexual continence that allegedly enabled Europe to avoid overpopulation, hence to make better use of its natural resources. Still others salute the marvelously temperate and otherwise geographically blessed (full of fine bays, in case you were wondering) European environment—so much preferred to the steamy, tropical South or the arid stretches of Asia. Then there is the notion of Asian "despotism"—including Karl Wittfogel's famous thesis about the control of massive irrigation projects—implying an inherent block in Asia's path towards Europe's capitalist-democratic paradise. Along with these biological or environmental arguments are other cultural explanations for the miracle. Particularly prominent is the idea that the blessed Europeans were swifter in the acquisition of rationality than the peasant, primitive, or oriental mind fixated in eternal childhood. A large block of our psychological tradition, from Freud to Jung to Jean Piaget, perpetuates this style of thinking, as does much mainstream European philosophy, from Descartes to Kant and Hegel—and, of particular consequence, the great neo-Kantian soci-

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ologist, Max Weber. Closely tied to the argument of superior rationality is a potent tradition of technological determinism: Europe came to capitalism and modernity because it was technologically more innovative, especially in the sphere of agriculture. Or if not that, then it was the invention of superior forms of state and church, or a more fluid class structure, or a more dynamic, inherently "nucleated" family which "generates the personality traits of an incipient capitalist, and does so deep in the Middle Ages."

But you get the picture. There are many ways for the ingenious scholar to rationalize a myth and "justify the ways of God to Man."

Notable marxists are well-represented among the miraculists and while Marx and Engels themselves are exonerated, it is not without a crucial look. This is as it should be. After all, Marxism is deeply European in origins, even if it happens to embody the best of European thought in its scientific spirit, emancipatory dynamic, and self-critical ethos—qualities most fully realized when Marxism examines itself, in this case for residual ethnocentricity. Nor is this exercise academic. Remnants of Eurocentrism block the universalist hopes of Marxism and obscure the real history of the West's triumph. This is a distinctly less inspiring account than myth would have. It turns out that the greatness of Europe was no miracle but ensued the proceeds of 1492: first, from precious metals that produced the flood of money that enabled Europeans to drive their principal competitors of the day out of the market; and second, from immense inflows of slave-produced wealth. It follows that Europe became a top dog for no more miraculous a reason then that it got to America before anyone else.

But why did Europe get there first? Could not this have been some residual refuge of the miracle, the dauntless Columbus embodying the peculiarly European elan and spirit of adventure? Nonsense, says Blaut the geographer. Europe got to the Western hemisphere first because it happened to be on the most convenient sea lanes, at least for the maritime powers of the time (West Africa, though closer still, was oriented toward interior land-based trade.) World conquest and the fruits of capitalism simply fell into its lap.

Blaut's geographical explanation for European superiority has the merit of dispelling much nonsense. But it is more of a corrective than an explanation. He proves that there was no miracle, no European "gene" for greatness. But this fact need not exclude all historical determinations save for the accidents of geography. In fact, purely geographical theory generates a history without a subject; it is no more than another species of myth. Blaut realizes this and is at pains to emphasize that there must be more to the story

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than proximity to sea lanes. But at times he seems so eager to prove that there was no essential, i.e. miraculous, European dynamic contributing to the takeover of the Western hemisphere that he downplays the *historical* dynamisms which surely played some role in Europe's rise to power. The text therefore teeters at times over the abyss of a mechanical materialism, despite the author's intentions.

Thus Blaut acknowledges Samir Amin's thesis that "peripheral tributary societies [in this case, feudal Europe] experienced less difficulty than central tributary societies in advancing in the capitalist direction." What Amin wrote, in *Eurocentrism*, was that the peripheral tributary societies have "greater flexibility" owing to a "dispersal of social power."[1] However, Blaut then dismisses Amin because this "argument, though it does not grant any 'miracle' to pre-1492 Europe, nonetheless allows one of the old beliefs to stand: that Europe was more dynamic than non-Europe during the Middle Ages." To imply that Amin should drop this line of reasoning because it allows "one of the old beliefs to stand" means, in effect, that all explanations having to do with the internal play of social forces are passé. This stricture would of course rule out Marxism itself, along with all meaningful history. Obviously, Amin doesn't mean that Europe is "more dynamic" in the sense of being more vital or of having more internal forces, whatever that may mean. His reasoning is dynamic in the sense of being qualitative and dialectical. This would seem, however, to be a distinction which Blaut forbids.

Along the same lines, Blaut virtually excludes all other decisive factors in the European conquest of the Western hemisphere except the pandemics which decimated the Indian population. Now no one should doubt that disease was indeed a vital part of the picture. But there could have been other reasons also necessary for Europe's success in conquering America—and crucial for creating the kind of capitalist society that arose. As Francis Jennings notes in *The Invasion of America*, Europeans didn't know much about developing the land but they excelled at the ruthless conquest of other people.[2] There is no a priori reason to assume that all the protocapitalist societies of the day would have had equal facility in this dimension of conquest. Moreover there are certain historical specifics about Europe that might constitute grounds for a nonmiraculous difference in the art of conquest between Europe and its rivals.

Thus Europeans facing the peoples of the Western Hemisphere were only too ready to abandon medieval-chivalric rules of warfare (which inhibited aggression) and adopt methods we would call terroristic. This sordid story is surely no miracle but it is a kind of historical dynamic that could have been relatively specific for Europe. Perhaps it

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had to do with the diabolism sharply inscribed in Christianity and honed through centuries of inquisition and religious war—a kind of persecutory dualism that readily allowed the natives to become labelled as "savages" and devils outside of Europe's moral universe. One must emphasize that these are relative and contingent explanations. There is no Christian essence or monopoly on cruelty. But there are differences between people in different concrete settings that are no less important than geography or epidemiology in the determination of events. Would the Chinese, steeped in Confucianism, have been so adept in the development of the fanatical ruthlessness which characterized the European conquest had they been lucky enough to be on the right sea lanes at the right time? And would world history have turned out more or less the same no matter who won the prize?

True, all humans have the same basic potentials. But this does not mean that every society would have responded equivalently to the opportunity afforded by America, since societies organize human potentials in different ways through their culture. First of all, only societies at a certain stage of development would have reacted the way Europe did after 1492. After all the Vikings did little with their discovery of the Western Hemisphere, an outcome that cannot be entirely accounted for by the fact that they landed in the unyielding North. However, there is no reason either to assume a priori that all societies at the same stage of development, in this instance that of incipient capitalism—will behave in the same way. Such an assumption denies the material forces of cultural difference. Of course we will never know how the Chinese or anyone else would have acted with the prize of America dangling before them, but there are differences to be taken into account even after we have dismissed all essentialism and miraculousness from the field.

NOTES

1. Samir Amin, *Eurocentrism* (New York: Monthly Review Press, 1989), pp. 8-9.
2. Francis Jennings, *The Invasion of America* (New York: Norton, 1977).

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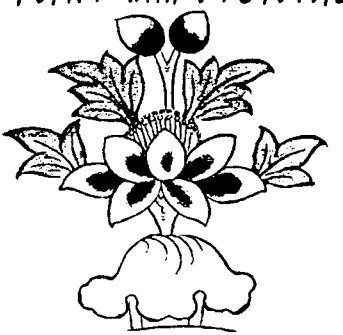

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the status and powers of cartels. The idea was to raise prices, hence profits, hence also production and employment, a bootstrap fantasy that soon collapsed in a welter of contradictions. A sop was thrown to labor in the form of Article 7a which encouraged the formation of unions but made no provisions for enforcement. The main consequence of Article 7a was to stimulate employers to develop the bag of anti-union tricks which were specifically enumerated and outlawed by the Wagner Act of a year or so later. The fiasco of the NRA of course did nothing to allay the suffering inflicted on the popular classes by the worsening depression. With no safety net in place, private charity totally inadequate to take its place, and no sign of improvement in sight, alarm bells were set to ringing at all levels of society, not least in the higher levels. The result was the beginning of the New Deal, properly so called. It was not a consciously planned or thought-out program but rather a series of ad hoc relief and salvage operations. In the political sphere it was not a shift in voters from Republicans to Democrats but the emergence of a "new electorate" made up of previous nonvoters and young people voting for the first time. "It [the New Deal] was created by the massive electoral participation of millions who had never previously voted. Not a change in the existing electorate but an entirely new electorate. Outsiders, not converts made the New Deal happen." (Edward Greer, review of Kristi Andersen, *The Making of a Democratic Majority, 1928-1936* (University of Chicago Press, 1979), *MR*, March 1980.)

Roosevelt's role in all this was not that of a bold innovator but rather that of a smart politician who sensed the elemental nature of the process under way and recognized that his best course of action—and that of the class he represented—was not to buck it but rather to identify with it, join it, become its leader and symbol and thereby put himself in the position to achieve some measure of control over it. In the few years we are focusing on here he was remarkably successful.

Why do we think this bit of history from over half a century ago can contribute to understanding what is happening today? The reason is that there are striking parallels between then and now that just might help us orient our thinking in fruitful ways. For example:

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(2) The labor movement, after a long period of decline, is showing signs of new life having just elected to the presidency of the AFL-CIO the head of the Service Employees International Union (SEIU), which operates in the service sector of the economy where some 75 percent of wage earners are now employed, and has nearly doubled its membership since 1980. The new leadership of the AFL-CIO promises (a) a manyfold increase in the proportion of its resources devoted to organizing the unorganized, (b) militant struggle against employers (including civil disobedience when called for), and (c) greatly increased emphasis on political organizing in support of labor and its causes.

Continued on page 42

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